

NSC STAFF STUDY

on

UNITED STATES OBJECTIVES AND COURSES OF ACTION WITH
RESPECT TO COMMUNIST AGGRESSION IN SOUTHEAST ASIA*

THE PROBLEM

1. To determine the policy of the United States toward the countries of Southeast Asia, and in particular, the courses of action which may be taken by the United States to strengthen and coordinate resistance to communism on the part of the governments and peoples of the area, to prevent Chinese Communist aggression, and to meet such aggression should it occur.

ANALYSIS

I. CONSEQUENCES TO THE UNITED STATES OF COMMUNIST DOMINATION
OF SOUTHEAST ASIA

2. Communist domination of Southeast Asia, whether by means of overt invasion, subversion, or accommodation on the part of the indigenous governments, would be critical to United States security interests. Communist success in this area would spread doubt and fear among other threatened non-communist countries as to the ability of the United States and the United Nations to halt communist aggression elsewhere. It would strengthen the claim that the advance of communism is inexorable and encourage countries vulnerable to Soviet pressure to adopt policies of neutralism or accommodation. Successful overt Chinese Communist aggression in this area, especially if achieved without encountering more than token resistance on the part of the United States or the United Nations, would have critical psychological and political consequences which would probably include the relatively swift alignment of the rest of Asia and thereafter or the Middle East to communism, thereby endangering the stability and security of Europe. Such a communist success might nullify the psychological advantages accruing to the free world by reason of its response to the aggression in Korea.

3. The fall of Southeast Asia would underline the apparent economic advantages to Japan of association with the communist-dominated Asian sphere. Exclusion of Japan from trade with Southeast Asia would seriously affect the Japanese

*The term Southeast Asia is used herein to mean Indochina, Burma, Thailand, the Malay Peninsula, and Indonesia.

economy, and increase Japan's dependence on United States aid. In the long run the loss of Southeast Asia, especially Malaya and Indonesia, could result in such economic and political pressures in Japan as to make it extremely difficult to prevent Japan's eventual accommodation to the Soviet Bloc.

4. Southeast Asia, especially Malaya and Indonesia, is the principal world source of natural rubber and tin. Access to these materials by the Western Powers and their denial to the Soviet Bloc is important at all times and particularly in the event of global war. Communist control over the rice surpluses of the Southeast Asian mainland would provide the USSR with a powerful economic weapon in its relations with other countries of the Far East. Indonesia is a secondary source of petroleum whose importance would be enhanced by the denial to the Western Powers of petroleum sources in the Middle East. Malaya is the largest net dollar earner for the United Kingdom, and its loss would seriously aggravate the economic problems facing the UK.

5. Communist control of all of Southeast Asia would render the United States position in the Pacific offshore island chain precarious and would seriously jeopardize fundamental United States security interests in the Far East. The extension of communist power via Burma would augment the communist threat to India and Pakistan and strengthen the groups within those countries which favor accommodation. However, such an event would probably result in a stiffer attitude toward communism on the part of the Indian government.

6. Communist domination of mainland Southeast Asia would place unfriendly forces astride the most direct and best-developed sea and air routes between the Western Pacific and India and the Near East. In the event of global war, the development of Soviet submarine and air bases in mainland Southeast Asia might compel the detour of U.S. and allied shipping and air transportation in the Southeast Asia region via considerably longer alternate routes to the south. This extension of friendly lines of communication would hamper U.S. strategic movements in this region and tend to isolate the major non-communist bases in the Far East--the offshore island chain and Australia--from existing bases in East Africa and the Near and Middle East, as well as from potential bases on the Indian sub-continent.

7. Besides disrupting established lines of communication in the area, the denial of actual military facilities in mainland Southeast Asia--in particular, the loss of the major naval operating bases at Singapore--would compel the utilization of

less desirable peripheral bases. Soviet exploitation of the naval and air bases in mainland Southeast Asia probably would be limited by the difficulties of logistic support but would, nevertheless, increase the threat to existing lines of communication.

II. REGIONAL STRATEGY

8. The continued integrity of the individual countries of Southeast Asia is to a large extent dependent upon a successful coordination of political and military measures for the entire area. The development of practical measures aimed at preventing the absorption of these countries into the Soviet orbit must therefore recognize this interdependence and must, in general, seek courses of action for the area as a whole.

9. However, it must be recognized that the governments and peoples of Southeast Asia have little in common other than their geographic proximity and their newly awakened nationalism and anti-colonialism. For the most part, their economies are competitive rather than complementary. The countries are divided internally and from each other by language and ethnic differences. The several nationalities and tribal groups are the heirs of centuries of warfare, jealousy, and mutual distrust. In addition, their present governments are sharply divided in their attitudes toward the current East-West struggle. The governments of the three Associated States of Indochina are not recognized by any other Asian states except Nationalist China and Thailand.

10. In the strategic sense, the defense of Tonkin is important to the defense of mainland Southeast Asia. If Communist forces should succeed in driving the French Union forces from Tonkin, military action in the remainder of Indochina might have to be limited to delaying action and the perimeter defense of certain coastal areas pending reinforcement or evacuation. With the appearance of communist success, native support would probably swing increasingly to the Viet Minh.

11. Thailand has no common border with China and no strong internal communist element. It adjoins areas of Indochina now controlled by the Viet Minh, but the border areas are remote and difficult. Hence, communist seizure of Thailand is improbable except as a result of the prior loss of either Burma or Indochina.

12. Communist control of either Indochina or Burma would expose Thailand to infiltration and severe political pressures.

as well as to the threat of direct attack. Unless substantial outside aid were forthcoming, it is possible that in such a case, political pressure alone would be sufficient to bring about the accommodation of Thailand to international communism within a year. However, substantial aid, together with assurance of support by the United States and the UN might be sufficient to preserve a non-communist government in Thailand in spite of any form of pressure short of overt attack.

13. Thailand would be difficult to defend against an overt attack from the east by way of the traditional invasion route through Cambodia. Thailand is more defensible against attack from Burma owing to the mountainous terrain and poor communications of the Thai-Burmese border. In either case it might be possible to defend an area in southern Thailand centering on Bangkok. Since any attack on Thailand would necessarily be preceded by communist encroachment on Indochina or Burma, the defense of Thailand would probably be part of a broader pattern of hostilities.

14. If the loss of Thailand followed the loss of Burma, the defense of Indochina would be out-flanked; and any substantial communist forces based on Thailand would render the position of the French Union Forces in Indochina untenable in the long run. If the collapse of Thailand followed the loss of Indochina, the psychological and political consequences would accelerate the deterioration of Burma. However, the military consequences in such a case would be less immediate, owing to the difficult terrain of the Thai-Burmese border country.

15. Communist control of Thailand would aggravate the already serious security problem presented by the Thai-Malayan border and greatly increase the difficulties of the British security forces in Malaya. However, assuming control of the sea by the Western Powers, Malaya offers a defensible position against even a full-scale land attack. The Kra Isthmus of the Malayan Peninsula would afford the best secondary line of defense against total communist domination of Southeast Asia and the East Indies. Such a defense would effectively protect Indonesia against external communist pressure. By thus defending Malaya and Indonesia, the anti-communist forces would continue to hold the most important strategic material resources of the area, as well as strategic air and naval bases and lines of communication.

16. The strategic interdependence of the countries in Southeast Asia, and the cumulative effect of a successful

communist penetration in any one area, point to the importance of action designed to forestall any aggression by the Chinese Communists. The most effective possible deterrent would be a joint warning by the United States and certain other governments regarding the grave consequences of Chinese aggression against Southeast Asia, and implying the threat of retaliation against Communist China itself. Such a warning should be issued in conjunction with other nations, including at least the United Kingdom, France, Australia and New Zealand. Participation in such a warning involves all the risks and disadvantages of a precommitment to take action in future and unknown circumstances. However, these disadvantages must be weighed against the alternative of a costly effort to repel Chinese invasion after it has actually occurred. A second, but probably less effective, means of attempting to deter such an invasion would be to focus world attention on the continuing threat of Chinese Communist aggression against Southeast Asia and to make clear to the Soviet and Chinese Communist Governments the fact that the United States views the situation in Southeast Asia with great concern. In fact, statements along these lines have already been made. Such means might also include a Peace Observation Commission, if desired and requested by the countries concerned, public addresses by U.S. officials, and "show the flag" visits by naval and air units.

17. The Chinese Nationalist forces represent considerable reserve upon which to draw in the event of military action against Communist China. The deficiency in equipment and training seriously limits the possible employment of these forces at present, however, continuation of our training and supply efforts should serve to alleviate these deficiencies. The manner of employment of these forces is beset not only with military but also with political difficulties. Hence the decision as to the best use of these forces cannot be made at this time. Nevertheless, we should be prepared to make the best practicable use of this military augmentation in light of the circumstances existing at the time.

III. INDOCHINA

18. In the long run, the security of Indochina against communism will depend upon the development of native governments able to command the support of the masses of the people and national armed forces capable of relieving the French of the major burden of maintaining internal security. Some progress is being made in the formation and development of national armies. However, the Vietnamese Government has been slow to assume its responsibilities and has continued to suffer from a lack of strong leadership. It has had to contend with: (a) lingering Vietnamese suspicion of any French-supported regime, combined with the apathetic and "fence-sitting" attitude of the bulk of the people; (b) the difficulty, common to all new and inexperienced governments, of training the necessary personnel and building an efficient administration; and (c) the failure of factional and sectional groups to unite in a concerted national effort.

19. The U.S. economic aid program for Indochina has as its objectives to increase production and thereby offset the military drain on the economy of the Associated States; to increase popular support for the Government by improving the effectiveness of Government services; to make the Government and the people aware of America's interest in their independence and welfare; and to use economic aid as a means of supporting the military effort. Because of their strained budgetary situation, the Associated States cannot meet the local currency costs of the projects; about 60 percent of the program funds is, therefore, devoted to importing needed commodities which are sold to generate counterpart.

20. The military situation in Indochina continues to be one of stalemate. Increased U.S. aid to the Franco-Vietnamese forces has been an essential factor in enabling them to withstand recent communist attacks. However, Chinese aid to the Viet Minh in the form of logistic support, training, and technical advisors is increasing at least at a comparable rate. The prospect is for a continuation of the present stalemate in the absence of intervention by important forces other than those presently engaged.

21. While it is unlikely under the present circumstances that the French will suffer a military defeat in Indochina, there is a distinct possibility that the French Government will soon conclude that France cannot continue indefinitely to carry the burden of her total military commitments. From the French point of view, the possible means of lessening the

present burden include: (1) a settlement with the communists in Indochina; (2) an agreement to internationalize the action in Indochina; (3) reduction of the NATO obligations of France.

22. A settlement based on a military armistice would be more complicated in Indochina than in the case of Korea. Much of Indochina is not firmly under the control of either side, but subject to occasional forays from both. Areas controlled by the opposing sides are interspersed, and lines of contact are fluid. Because of the weakness of the native governments, the dubious attitudes of the population even in areas under French control, and the certainty of continued communist pressure, it is highly probable that any settlement based on a withdrawal of French forces would be tantamount to handing over Indochina to communism. The United States should therefore continue to oppose any negotiated settlement with the Viet Minh.

23. In the event that information and circumstances point to the conclusion that France is no longer prepared to carry the burden in Indochina, or if France presses for a sharing of the responsibility for Indochina, whether in the UN or directly with the U.S. Government, the United States should oppose a French withdrawal and consult with the French and British concerning further measures to be taken to safeguard the area from communist domination. In anticipation of these possibilities, the United States should urgently re-examine the situation with a view to determining:

a. Whether U.S. participation in an international undertaking would be warranted.

b. The general nature of the contributions which the United States, with other friendly governments, might be prepared to make.

24. A cessation of hostilities in Korea would greatly increase the logistical capability of the Chinese Communists to support military operations in Indochina. A Korean peace would have an even more decisive effect in increasing Chinese air capabilities in that area. Recent intelligence reports indicate increased Chinese Communist military activity in the Indochinese border area. If the Chinese Communists directly intervene with large forces over and above those introduced as individuals or in small units, the French would probably be driven back to a beachhead around Haiphong. The French should be able to hold this beachhead for only a limited time at best in the absence of timely and substantial outside support.

25. In view of the world-wide reaction to overt aggression in Korea, Communist China may prefer to repeat in Indochina the method of "volunteer" intervention. Inasmuch as the French do not control the border between China and Indochina nor large areas north of Hanoi, it may be difficult to detect the extent of preparation for such intervention. It is important to U.S. security interests to maintain the closest possible consultation with the French Government on the buildup of Chinese Communist intervention in Indochina. The Government of France has agreed to consult with the United States before it requests UN or other international action to oppose Chinese Communist aggression in Indochina in order that the two countries may jointly evaluate the extent of Chinese Communist intervention.

26. If it is thus determined that Chinese Communist forces (including volunteers) have overtly intervened in the conflict in Indochina, or are covertly participating to such an extent as to jeopardize retention of the Tonkin Delta by the French forces, the United States should support the French to the greatest extent possible, preferably under the auspices of the UN. It is by no means certain that an appropriate UN resolution could be obtained. Favorable action in the UN would depend upon a change in the attitude of those governments which view the present regime in Indochina as a continuation of French colonialism. A new communist aggression might bring about a reassessment of the situation on the part of these governments and an increased recognition of the danger. Accordingly, it is believed that a UN resolution to oppose the aggression could be passed in the General Assembly by a small margin.

27. Even if it is not possible to obtain a UN resolution in such a case, the United States should seek the maximum possible international support for and participation in any international collective action in support of France and the Associated States. The United States should take appropriate military action against Communist China as part of a UN collective action or in conjunction with France and the United Kingdom and other friendly governments. However, in the absence of such support, it is highly unlikely that the United States would act unilaterally. It is probable however, that the United States would find some support and token participation at least from the United Kingdom and other Commonwealth countries.

28. The U.S. forces which would be committed, and the manner of their employment, as well as the military equipment

which could be furnished to bolster the French Union forces, would be dependent upon certain factors which cannot now be predicted with accuracy. These include the extent of progress in U.S. rearmament, whether or not hostilities in Korea were continuing, and strategic developments in other parts of the world. It would be desirable to avoid the use of major U.S. ground forces in Indochina. Other effective means of opposing the aggression would include naval, air and logistical support of the French Union forces, naval blockade of Communist China, and attacks by land and carrier-based aircraft on military targets in Communist China. The latter could be effective against the long, tenuous, and vulnerable supply lines by which Chinese operations in Indochina would have to be supported. In the event of a forced evacuation, U.S. forces might provide cover and assistance. United Kingdom participation in these measures might well result in the seizure of Hong Kong by the Chinese Communists.

29. It is recognized that the commitment of U.S. military forces against Communist China would: (a) increase the risk of general hostilities in the Far East, including Soviet participation under cover of the existing Sino-Soviet agreements; (b) involve U.S. military forces in another Asiatic peripheral action, thus detracting from U.S. capabilities to conduct a global war in the near future; (c) arouse public opposition to "another Korea"; and (d) imply willingness to use U.S. military forces in other critical areas subject to communist aggression. Nevertheless, by failing to take action, the United States would permit the communists to obtain, at little or no cost, a victory of major world consequence.

30. Informed public opinion might support use of U.S. forces in Indochina regardless of sentiment against "another Korea" on the basis that: (a) Indochina is of far greater strategic importance than Korea; (b) the confirmation of UN willingness to oppose aggression with force, demonstrated at such a high cost in Korea, might be nullified by the failure to commit UN forces in Indochina; and (c) a second instance of aggression by the Chinese Communists would justify measures not subject to the limitations imposed upon the UN action in Korea.

31. The military action contemplated herein would constitute, in effect, a war against Communist China which would be limited only as to its objectives, but would not be subject to any geographic limitations. Employment of U.S. forces in a de facto war without a formal declaration would raise questions which would make it desirable to consult with key members of both parties in Congress in order to obtain their prior concurrence in the courses of action contemplated.